

**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Resolution ALJ 176-3155  
Administrative Law Judge Division  
June 30, 2005

**R E S O L U T I O N**

RESOLUTION ALJ 176-3155. Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4, and 6.1 of the Commission's Rules of Practice and Procedure. (See also Rule 63.2(c) regarding notice of assignment.)

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The Commission's rules and procedures which implement the requirements of Senate Bill (SB) 960 (Leonard, ch. 96-0856) are, for the most part, found in Article 2.5 of our Rules of Practice and Procedure. The rules and procedures were adopted by the Commission in D.97-11-021, which describes more fully the background to the development of these rules. Rule 4 describes the formal proceedings to which the SB 960 rules (Article 2.5) apply. Rule 6.1 requires the Commission to preliminarily determine a proceeding's category, whether the proceeding requires a hearing, and designate an Assigned Commissioner and Administrative Law Judge. Rule 6.1(a) states that the preliminary determination of category is not appealable but shall be confirmed or changed by Assigned Commissioner's ruling. Unless and until a preliminary determination is changed by such ruling, the preliminary determination of category governs the applicability of the other reforms that SB 960 requires. Rule 63.2 provides for petitioning the Commission to reassign a proceeding to another administrative law judge. Rule 63.2(c) establishes the time for filing such a petition. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

**The Categories**

SB 960 makes sweeping changes in many aspects of the Commission's practices in an effort to improve the quality and timeliness of Commission decision making. It creates three categories of proceedings: adjudicatory, ratesetting, and quasi-legislative. The

applicability of many of the changes it requires depends upon the category assigned to the proceeding. For example, the ex parte rules which apply differ if the proceeding is categorized as adjudicatory rather than quasi-legislative. The Legislature defined each of these procedural categories in Section 7 of SB 960. Consistent with these definitions, the rules provide that:

“‘Adjudicatory’ proceedings are: (1) enforcement investigations into possible violations of any provision of statutory law or order or rule of the Commission; and (2) complaints against regulated entities, including those complaints that challenge the accuracy of a bill, but excluding those complaints that challenge the reasonableness of rates or charges, past, present, or future.

“‘Ratesetting’ proceedings are proceedings in which the Commission sets or investigates rates for a specifically named utility (or utilities), or establishes a mechanism that in turn sets the rates for a specifically named utility (or utilities). ‘Ratesetting’ proceedings include complaints that challenge the reasonableness of rates or charges, past, present, or future. For purposes of this Article, other proceedings may be categorized as ratesetting as described in Rule 6.1(c).

“‘Quasi-legislative’ proceedings are proceedings that establish policy or rules (including generic ratemaking policy or rules) affecting a class of regulated entities, including those proceedings in which the Commission investigates rates or practices for an entire regulated industry or class of entities within the industry.” (Rules 5(b), 5(c), and 5(d).)

### **Mixed or Unclear Category Proceedings**

For a proceeding that may fall into more than one category, the rules allow parties to recommend that the Commission pick the most suitable category, or to recommend dividing the subject matter of the proceeding into different phases or one or more new proceedings, each with its own category. The rules provide that a proceeding that does not clearly fit into *any* of SB 960’s defined categories will be conducted under the rules applicable to the ratesetting category. As such a proceeding matures, the Commission may determine that the rules applicable to one of the other categories, or some hybrid of those rules, would be better suited to the proceeding.

As stated in D.97-06-071, ratesetting proceedings typically involve a mix of policymaking and factfinding relating to a particular public utility. Because proceedings that do not clearly fall within the adjudicatory or quasi-legislative categories likewise typically involve a mix of policymaking and factfinding, the ratesetting procedures are, in general, preferable for those proceedings.

**Next Steps**

As stated above, this preliminary determination of category is not appealable. Once interested parties have had an opportunity to respond to the initiating party's proposed category, the preliminary determination shall be confirmed or changed by Assigned Commissioner's Ruling pursuant to Rule 6(a)(3). This Assigned Commissioner Ruling may be appealed to the full Commission pursuant to Rule 6.4(a). Parties have 10 days after the ruling is mailed to appeal. Responses to the appeal are allowed under Rule 6.4(b), and must be filed and served not later than 15 days after the ruling is mailed. The full Commission will consider the appeal.

Any party, or person or entity declaring an intention to become a party is entitled to petition for reassignment of the proceeding to another Administrative Law Judge, as described in Rule 63.2. Such a petition must be filed no later than 10 days after notice of the assignment. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

**Conclusion**

The Commission has reviewed the initial pleading of the utility applicants listed in the attached schedule and has made a preliminary determination of category and need for hearing, consistent with the requirements and definitions of Article 2.5 of its rules.

**IT IS ORDERED** that each proceeding listed in the attached schedule is preliminarily categorized, and the need for a hearing is noted.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on \_\_\_\_\_, the following Commissioners voting favorably thereon:

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STEVE LARSON  
Executive Director

## PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3155 (6/30/05)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
<b>A05-06-024</b> ANDRE WILLIAMS, dba UNITRANSIT, for authority to operate as an on-call Passenger Stage Corporation between points in the Counties of Sacramento and Placer, and the Sacramento and San Francisco International Airports; and to establish a Zone of Rate Freedom.	Ratesetting	Ratesetting	NO
<b>A05-06-025</b> CAPITAL FIBER, LLC, for Registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013.	NDIEC Registration Application	Ratesetting	NO
<b>A05-06-026</b> SEA PLANES, INCORPORATED (VCC-85), for approval of the expansion of its Certificate of Public Convenience and Necessity to include non-scheduled service to and from all navigable harbors and coves on Catalina Island to and from Marina Del Rey, Avalon and Two Harbors, all of which points are either along existing authorized routes or within a mile or two.	Ratesetting	Ratesetting	NO
<b>A05-06-027</b> A.R.C. NETWORKS, INC. (U 5686-C), EUREKA BROADBAND CORPORATION, for approval to complete a transfer of control of A.R.C. Networks, Inc., and related transactions.	Ratesetting	Ratesetting	NO
<b>A05-06-028</b> PACIFIC GAS AND ELECTRIC COMPANY, for authority to increase revenue requirements to recover the costs to deploy an advanced metering infrastructure.	Ratesetting	Ratesetting	YES
<b>A05-06-029</b> PACIFIC GAS AND ELECTRIC COMPANY (U 39-E), for approval of an Agreement concerning certain Generation Assets known as "Contra Costa 8" pursuant to a Settlement and Release of Claims Agreement approved by the Commission on January 14, 2005, for authority to Recommence Construction and for Adoption of Cost Recovery and Ratemaking Mechanisms related to the acquisition, completion and operation of the Assets.	Ratesetting	Ratesetting	YES
<b>A05-06-030</b> SOUTHERN CALIFORNIA GAS COMPANY (U 904-G), regarding Year Eleven (2004 - 2005) of its Gas Cost Incentive Mechanism.	Ratesetting	Ratesetting	NO

## PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3155 (6/30/05)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
<b>A05-06-031</b> PACIFIC GAS AND ELECTRIC COMPANY, for a Permit to Construct to relocate the existing above ground Moraga-Clairemont 115 kV Power Line pursuant to General Order 131-D.	Ratesetting	Ratesetting	NO
<b>A05-06-032</b> NORTH AMERICA INTERNET EXCHANGE, INC., for Registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013.	NDIEC Registration Application	Ratesetting	NO
<b>A05-06-033</b> ANITA, MICHAEL, AND ALAN ERWIN, JR., dba CARE-A-VAN, for authority to operate as an on-call Passenger Stage Corporation servicing the Sacramento International Airport (SMF) and the San Francisco International Airport (SFO) along the Interstate Highway 80 corridor and Highways 99, 50 and 113, including but not limited to, the Cities of Sacramento, Beale AFB, Roseville, Marysville, Davis, Woodland, Dixon, Winters, Fairfield, Travis AFB, and Vacaville.	Ratesetting	Ratesetting	NO
<b>A05-06-034</b> CATALINA CHANNEL EXPRESS, INC., to increase the baseline rate for its zone of rate freedom authority to the level of its current rates and to establish a new zone of rate freedom for its vessel common carrier services.	Ratesetting	Ratesetting	NO
<b>A05-06-035</b> 800 RESPONSE INFORMATION SERVICES LLC, for Registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013.	NDIEC Registration Application	Ratesetting	NO
<b>A05-06-036</b> EL CORRE CAMINOS, INC., dba EL CORRE CAMINOS, JOSE LUIS AYALA-AROCHE, dba EL CORRE CAMINOS, Application for the transfer of the Certificate of Public Convenience and Necessity (PSC-11518) and other assets from Jose Luis Ayala-Aroche, an individual, doing business as El Corre Caminos to El Corre Caminos, Inc. a California Corporation; and to amend said CPCN, as more fully set forth in the Application.	Ratesetting	Ratesetting	NO

**PRELIMINARY DETERMINATION  
SCHEDULE**

Resolution ALJ 176-3155 (6/30/05)

<b>NUMBER TITLE</b>	<b>PROPOSED CATEGORY</b>	<b>PRELIM. CATEGORY</b>	<b>HEARING</b>
<b>A05-06-037</b> MCI WORLDCOM COMMUNICATIONS, INC. (U 5378-C), pursuant to Public Utilities Code Section 851 for authority to transfer certain assets to vCustomer Corporation, a Washington Corporation.	Ratesetting	Ratesetting	NO
<b>A05-06-039</b> COUNTY OF SAN DIEGO, for authority to relocate the existing South Santa Fe Avenue at-grade highway-rail crossing (C.P.U.C. Crossing No. 106E-12.00) within the County of San Diego, California.	Ratesetting	Ratesetting	NO